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C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 001271

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TAGS: PGOV NI EPET SOCI DELTAVIOLENCE SUBJECT: NIGER DELTA REMAINS TENSE

Classified By: Ambassador John Campbell per 1.4 b and d

11. (SBU) Summary: In a July 6 meeting, NGO Director and Obasanjo associate, Judith Asuni, told the Ambassador tensions remain high in the Niger Delta. Small arms proliferation, cult/gang violence, and oil bunkering are all rampant, she said. The Peace and Security Strategy (PASS), a joint government-NGO initiative begun last year to foster greater stability in the region, was now fully articulated and petroleum presidential adviser (cum Minister) Edmund Dakuro recently had circulated the strategy in Western capitals, including the U.S. However, actual implementation of the PASS was lagging, Asuni said. The Ambassador and Asuni concurred that President Obasanjo must keep a close eye on the region and stay engaged. Nigeria's economic reforms, of which the President is justifiably proud, are not sustainable without a stable, productive Niger Delta region. End Summary.

Niger Delta Ever Tense

- 12. (C) American citizen (AMCIT) Judith Asuni has lived in Nigeria for more than 30 years and is a long-time Mission contact. Asuni's NGO, Academic Associates Peace Works (AAPW), focuses on conflict resolution, early warning systems, and youth reintegration. Asuni told Ambassador the Delta region remains fragile and tensions are high. Cults and gangs continue to splinter, proliferate, and re-arm. Asuni stated that by failing to provide demobilized youth with employment and training opportunities, the Rivers State government had reneged on the deal rival militias and federal government struck last year which ended a particularly intense round of violence in Port Harcourt. This violence which pitted the two main militias in the area Dokubo Asari's Niger Delta People's Volunteer Force (NDPVF) and Ateke Tom's Niger Delta Vigilante Group (NDVG) against each other, had resulted in dozens of deaths and had caused hundreds to be displaced from their homes (refs A and B). Asuni claimed that contrary to the provisions of the PASS, Rivers State governor Odili had only provided sporadic employment/training opportunities to disarmed youth. She asserted that the governor "wanted to do the right thing," but is often thrown off course by "those around him."
- 13. (C) The gun-buy-back program, another element of the PASS, had also failed to achieve intended results. Gang members often turned in dilapidated, non-serviceable weapons. However, the government did not reduce its already overly inflated payback based on weapon condition. Gang members were thus able to purchase two weapons for every one surrendered, Asuni asserted. Asuni confirmed rumors that Odili's chief-of-staff was complicit in corrupting the gun-buy-back program (ref C). She said she had confronted the governor about this issues, but he has "stood by his man." Lastly Asuni said serial numbers of some surrendered weapons have been traced to South Africa. The Ambassador counseled that if true, the GON should convey all relevant information to the GoSA so that South African authorities could hold accountable illegal gun traders, and more importantly, help prevent future shipments.

Obasanjo Must Stay Engaged

- 14. (SBU) The Ambassador elicited Asuni's vies on how to increase stability in the Delta region. While not offering specific suggestions, Asuni said the president's sustained attention and engagement were critical. The Ambassador concurred. Nigeria's economic reforms, he said, and her vision for the future in terms of poverty alleviation and infrastructure development, are predicated upon the country maintaining a certain level of crude oil production.
- 15. (SBU) Energy companies can and do adjust to peculiarities in the working environment, shifting operations off-shore in response to community unrest, for example.

However, these modifications come at a cost. It is dramatically more expensive to produce oil off shore, than it is on-shore. Similarly, energy companies incur enormous insurance premiums working in environments as risk-filled as the Niger Delta.

16. (SBU) The Ambassador said one of his biggest worries is that at some point the cost-benefit ratio might no longer tilt in Nigeria's favor, leading energy companies to significantly reduce operations here. The Ambassador and Asuni agreed that each would emphasize with the President the need for his active, sustained involvement on Niger Delta issues.

Comment

- 17. (SBU) As the euphoria of debt relief and the favorable supreme court decision recedes, Obasanjo will need to re-focus on the Niger Delta region. Contacts Mission-wide are reporting heightened concerns and apprehension in the region. Over the past few weeks and months, Port Harcourt has witnessed a slew of armed robberies and a spectacular prison riot, staged to break free a feared militia leader (ref C). In addition, there have been at least two oil installation take-overs and/or hostage takings in the past several weeks. The fist incident which occurred in Bayelsa state, ended peacefully when community leaders released the two German expatriates they had held hostage for four days (ref C). The second incident, in Billie, Rivers State is still on-going. Shell Petroleum Development Corporation was forced to shut down a minor flow station in order to prevent an imminent take-over. SPDC confirmed that as much as 40,000 bpd have been disrupted as a result of this action (ref F).
- 18. (SBU) Lastly, cults, gangs, and "youth-groups" have engaged in a fair amount of saber-rattling in association with the South-South's demand for increased resource control at the stalled National Political Reform Conference (NPRC) (ref E). NDPVF leader Asari has vowed to shut down oil installations if the region's demands are not met. Other groups, with less of a proven track record than the NDPVF, have issued similar threats. (Note: The NPRC disbanded July 11 when delegates were unable to reach consensus on resource control and presidential tenure. See Septel).
- 19. (SBU) Any one or even two of these factors, would constitute traditional fare for the rough-and-tumble Niger Delta region. However, the accumulated impact, alongside the ever present potential for political violence as the nation moves closer to the 2007 elections, has people jittery. The president appears to have given Dakuro the lead on Niger Delta stability and implementation of the PASS. It remains to be seen whether these latest initiatives will have any appreciable impact on this Nigeria's most knotty problem.

CAMPBELL